

DEPARTMENT OF NATURAL RESOURCES

FINANCIAL SUMMARY

	FY 2007 EXPENDITURE	FY 2008 APPROPRIATION	FY 2009 REQUEST	GOVERNOR RECOMMENDS FY 2009
Department Operations	\$ 5,248,090	\$ 5,855,241	\$ 5,606,656	\$ 5,728,853
Energy Center	13,534,119	9,642,734	9,642,734	10,076,047
Environmental Programs	220,675,780	236,542,362	245,835,464	237,932,062
Geology and Land Survey	2,992,068	3,604,254	3,570,618	3,775,117
Division of State Parks	32,524,243	36,542,544	38,195,266	39,861,992
Historic Preservation	1,257,074	3,517,843	5,777,843	5,997,366
Agency-Wide Implementation	19,310,942	31,547,716	32,680,406	32,781,885
Environmental Improvement and Energy Resources Authority	0	1	1	1
DEPARTMENTAL TOTAL	\$ 295,542,316	\$ 327,252,695 *	\$ 341,308,988	\$ 336,153,323
General Revenue Fund	9,734,552	12,093,469	23,421,525	17,449,642
Federal Funds	32,044,849	43,242,217	41,965,214	42,541,044
Other Funds	253,762,915	271,917,009	275,922,249	276,162,637
Full-time equivalent employees	1,769.63	1,828.94	1,813.94	1,813.94

* Does not include \$35,968 Geologic Resources Fund and .5 staff recommended in the Fiscal Year 2008 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Natural Resources supplemental appropriations.

DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2009 budget provides a total of \$336.2 million for the Department of Natural Resources. The department strives to preserve, protect, and enhance Missouri's natural, cultural, and energy resources. The core functions provided by the Department of Natural Resources include:

- Managing Missouri's state parks and cultural and historical resources.
- Protecting Missouri's water resources by enforcing state and federal environmental laws.
- Overseeing environmental programs that improve air quality and safely manage hazardous and solid waste.
- Helping landowners conserve fertile topsoil.
- Investigating the state's geology to determine the character and availability of the state's natural resources.
- Providing centralized assistance on environmental regulation and energy efficiency measures for farmers, builders, and local governments.

DEPARTMENT OF NATURAL RESOURCES

DEPARTMENT OPERATIONS

Department Operations is responsible for the development of statewide environmental and natural resource policies. Department Operations seeks to improve efficiency, drives customer-focused initiatives, ensures public participation in decision making, and attains results positively affecting the quality of water, air, land, energy, and recreational and cultural resources. Department Operations includes the Office of the Director, handles department policy and legal work, and provides communications and administrative support. The Office of the Director manages the department's four divisions, as well as the Energy Center, the Water Resources Center, and the Soil and Water Conservation Program, ensuring that the department meets all its responsibilities, statutory and otherwise. The office represents Missouri before several regional and national organizations and agencies, including the U.S. Environmental Protection Agency and a regional river basin association. Department Operations also includes the department's ombudsman initiative. Physically located throughout the state, the ombudsmen inform the department director and regional directors of emerging problems, issues of policy application consistency that cross the department's programs and regional offices, and provide a mechanism for constituent input and access to the director's office. Also a part of Department Operations, the Division of Administrative Support handles budget development, financial resource allocations, accounting, internal auditing, human resources, procurement, grants management, and general services.

Fiscal Year 2009 Governor's Recommendations

- \$129,337 for pay plan, including \$24,204 general revenue.
- (\$231,821) federal and other funds and (five) staff reallocated to Environmental Quality and Field Services, including (\$97,420) general revenue.
- (\$16,764) federal funds and (1.55) staff core reduction from the Fiscal Year 2008 appropriation level.
- (\$7,140) core reduction for mailroom consolidation from the Fiscal Year 2008 appropriation level, including (\$1,494) general revenue.

ENERGY CENTER

The Energy Center, the state's designated office for helping Missourians produce and use energy wisely, efficiently, and renewably, fosters and protects the state's environment, resources, and economic prosperity.

Fiscal Year 2009 Governor's Recommendations

- \$400,000 for energy audits.
- \$33,313 federal and other funds for pay plan.

**DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROGRAMS**

FINANCIAL SUMMARY

	FY 2007 EXPENDITURE	FY 2008 APPROPRIATION	GOVERNOR RECOMMENDS FY 2009
Environmental Quality	\$ 21,642,948	\$ 26,835,298	\$ 27,551,131
Field Services	15,162,180	18,520,729	18,691,182
Inspection/Maintenance	746,371	1,342,164	1,332,416
Water Resources	2,450,089	3,274,983	3,315,291
Soil and Water Conservation	35,134,657	39,682,292	40,115,146
Environmental Financial Support	145,539,535	146,886,896	146,926,896
TOTAL	\$ 220,675,780	\$ 236,542,362	\$ 237,932,062
General Revenue Fund	7,350,917	8,816,037	10,945,082
Federal Funds	19,254,919	33,203,197	32,912,932
Other Funds	194,069,944	194,523,128	194,074,048

ENVIRONMENTAL PROGRAMS

ENVIRONMENTAL QUALITY

Water Protection Program – The division's Water Protection Program includes three branches--the Water Pollution Branch, the Drinking Water Branch, and the Financial Assistance Center. The Water Pollution Branch protects the quality of Missouri's groundwater, streams, and lakes, safeguarding these vital resources. This enhances agricultural production, forestry, fisheries, water-intensive manufacturing, water recreation, tourism, hunting, fishing, and human and animal consumption. The Public Drinking Water Branch ensures that all public drinking water systems provide clean and healthy drinking water for Missouri's citizens by ensuring that public water system construction and operation comply with the requirements of the federal Safe Drinking Water Act. The program oversees the proper construction of all wells, including water, oil and gas, exploration, heat pumps, and monitoring wells. The program also trains and certifies operators at Missouri's water supply and water treatment plants. The Financial Assistance Center administers the federal Clean Water and Drinking Water State Revolving Fund programs that provide low-interest loans and grants to Missouri communities for the construction of new, and the improvement of existing drinking water supply, wastewater treatment, and stormwater management systems.

Air Pollution Control Program – The Air Pollution Control Program (APCP) staff support the Air Conservation Commission, which develops policies to maintain and enhance the state's air quality for the protection of the public's health. Operating under the Clean Air Act's State Implementation Plans and Rules, the APCP reviews facility construction and operation permits to help ensure ambient air quality. Working with the department's regional office staff, the APCP identifies facilities that are not in compliance prior to pursuing any enforcement action. Collecting air quality and emission inventory data, the APCP provides benchmark data for Missouri air quality monitoring and planning. The APCP helps ensure that ozone levels in the St. Louis area improve and meet federal health-based air standards. Staff also coordinate air pollution control activities with other programs in the division and local air pollution control agencies.

Hazardous Waste Program – State and federal law require oversight of hazardous waste practices from the point of generation through final disposal to ensure the safe and legal handling of such materials. Together with required registration of hazardous waste generators, the program's manifest and quarterly reporting systems enable the program to identify the amount and types of waste generated, stored, containerized, transported off-site, and treated or otherwise disposed. The Hazardous Waste Program (HWP) also addresses abandoned or uncontrolled hazardous waste sites through preliminary assessments, site investigations, feasibility studies, remedial investigations, interim remedial measures, immediate removals, and long-term or final remedial actions. The HWP registers and regulates petroleum underground storage tanks; provides general and technical information concerning the installation, use, and closure of such systems; encourages compliance with underground storage tank law, regulations, and performance standards; and oversees corrective actions taken in response to leaks and other dangerously improper releases. In addition, the program provides oversight services for those who wish to voluntarily clean up contaminated properties, reviving them for productive use.

Solid Waste Management Program – The Solid Waste Management Program protects public health and the environment by requiring proper management of solid waste. The program encourages waste reduction, reuse, recycling, energy recovery, improved processing, and proper disposal. Implementing alternatives to the long-term storage of our waste will help to safeguard against landfill capacity shortages and will foster better use of our natural resources, including the otherwise productive land taken up to store our trash. Effectively regulating solid waste transportation, treatment, and storage through the implementation of solid waste management plans will help to minimize harmful land, water, and air pollution.

DEPARTMENT OF NATURAL RESOURCES

ENVIRONMENTAL PROGRAMS (Continued)

Land Reclamation Program – The Land Reclamation Program staff provide technical support for the Land Reclamation Commission. The commission regulates the surface mining of coal and other mineral commodities (such as barite, tar sands, clay, limestone, sand, and gravel) and provides for the reclamation of mined lands. Staff review mining and reclamation plans, issue permits that require security bonds to guarantee the reclamation of mined lands, and inspect sites to ensure reclamation performance. Program staff inventory and assess abandoned mined lands for health and pollution hazards to prioritize the reclamation of these abandoned areas.

Fiscal Year 2009 Governor's Recommendations

- \$258,091 and 5.16 staff to replace water pollution permit fee funding.
- \$123,590 to enhance water pollution permit processing.
- \$567,750 for pay plan, including \$17,512 general revenue.
- \$175,669 federal and other funds and four staff reallocated from Department Operations and Field Services.
- (\$409,267) federal and other funds and (10.16) staff core reduction from the Fiscal Year 2008 appropriation level.

FIELD SERVICES

The Field Services Division supports the implementation of the department's environmental services throughout the State of Missouri. To protect the state's publicly and economically valuable air, land and water resources, the division's front-line staff provide consistent, efficient delivery of services where Missourians live and work through timely compliance assistance, inspection, on-site visits to permitted facilities, permit issuance, environmental emergency response, sampling and sample analysis, and the investigation of reported environmental complaints.

Fiscal Year 2009 Governor's Recommendations

- \$943,545 and 21.76 staff to replace water pollution permit fee funding.
- \$500,000 to replace environmental emergency response and field services equipment.
- \$399,919 for pay plan, including \$122,247 general revenue.
- \$97,420 and two staff reallocated from Department Operations.
- (\$943,545) Natural Resources Protection Fund – Water Pollution Permit Fee Subaccount and (21.76) staff core reduction from the Fiscal Year 2008 appropriation level.
- (\$691,268) federal and other funds and (one) staff reallocated to Agency-Wide Implementation and Environmental Quality.
- (\$127,932) Safe Drinking Water Fund core reduction of one-time expenditures.
- (\$7,273) transferred to the Office of Administration for the statewide consolidation of fuel and utility purchases and facility related service contracts, including (\$2,122) general revenue.
- (\$413) Safe Drinking Water Fund transferred to the Office of Administration for the statewide consolidation of information technology services.

INSPECTION/MAINTENANCE

The department's vehicle emission inspection program is part of Missouri's continuing efforts to improve the air quality in the St. Louis area. As a result of SB 583 (2006) being signed into law, beginning September 1, 2007, the centralized vehicle emission inspection program in St. Louis will become decentralized. Currently there are 12 high-volume, test-only stations managed by one contractor. The statute creates the opportunity to develop a significant number of low-volume, test-only, and test-and-repair stations operated by licensed businesses, with one or more contractors providing the testing equipment and data collection systems that would be used at the new locations. Motorists could then choose to stop at just one shop for both safety and emissions inspections.

Fiscal Year 2009 Governor's Recommendations

- \$18,020 Missouri Air Emission Reduction Fund for pay plan.
- (\$27,768) Missouri Air Emission Reduction Fund and (one) staff core reduction from the Fiscal Year 2008 appropriation level.

DEPARTMENT OF NATURAL RESOURCES

ENVIRONMENTAL PROGRAMS (Continued)

WATER RESOURCES

Program hydrologists and geologists investigate and monitor surface water and groundwater resource characteristics, availability, and use to meet Missouri's comprehensive water needs. Staff operate a statewide groundwater aquifer-monitoring network with real-time water quantity data. Staff also collect and analyze surface-water flow data to safeguard against flood and drought. With the completion of Phase I and II of the State Water Plan, the program begins the statewide assessment of individual watersheds serving Missouri's communities and the state as a whole. Water Resources also administers the provisions of the Missouri Dam and Reservoir Safety Law. The department regulates all nonfederal, nonagricultural dams 35 feet and higher through registration, construction permits, and inspections. The program also defends the state's vital water resource interests, including those related to river transport, before numerous interstate and interagency river basin associations.

Fiscal Year 2009 Governor's Recommendations

- \$40,308 for pay plan, including \$28,762 general revenue.

SOIL AND WATER CONSERVATION

The Soil and Water Conservation Program implements the policies of the Soil and Water Districts Commission to ensure the long-term productivity of Missouri's most basic resource, the soil. Departmental staff aid Missouri's local soil and water conservation districts and administer several soil conservation programs funded by one-half of the one-tenth of one percent dedicated sales tax renewed by Missouri voters in August 2006. Soil and Water Sales Tax funded programs include: cost-sharing grants for up to 75 percent of farmers' costs to implement approved soil conservation practices; loan interest payment assistance for landowners on loans expended for approved conservation practices and equipment; grants to local districts for administrative expenses and technical assistance; special incentives for intensive conservation measures in critical areas; soil survey mapping efforts; and grants for research on soil conservation problems.

Fiscal Year 2009 Governor's Recommendations

- \$375,665 Soil and Water Sales Tax Fund to increase grants for local soil and water conservation districts.
- \$57,189 Soil and Water Sales Tax Fund for pay plan.
- (Five) staff core reduction from the Fiscal Year 2008 appropriation level.

ENVIRONMENTAL FINANCIAL SUPPORT

The department administers a variety of funds for local governments and others to combat air pollution, clean up abandoned and uncontrolled hazardous waste sites, reclaim abandoned mine lands, monitor and test drinking water supplies, and construct or improve water and wastewater facilities.

Fiscal Year 2009 Governor's Recommendations

- \$40,000 to pay the state's obligation for the Superfund cleanup of the Annapolis lead contamination site.

GEOLOGY AND LAND SURVEY

Headquartered in Rolla, Missouri, the Division of Geology and Land Survey investigates the state's geology, providing geologic and hydrologic information and expertise to aid economic and environmental decision-making regarding site remediations, contaminant migration, subsurface investigations and geologic hazards. The division also determines the character and availability of the state's water and mineral resources. The division is responsible for restoring and maintaining the U. S. Public Land Survey System in Missouri and serves as a repository for the state's land survey records. Division management represents the state through the Association of American State Geologists and Central U.S. Earthquake Consortium.

Fiscal Year 2009 Governor's Recommendations

- \$124,424 Geologic Resources Fund and two staff to implement a fee-based geologic and hydrologic resource assessment program to assist the minerals industry, pursuant to SB 54 (2007)
- \$80,075 for pay plan, including \$21,838 general revenue.
- (\$33,636) federal funds and (1.91) staff core reduction from the Fiscal Year 2008 appropriation level.

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF STATE PARKS

The Division of State Parks manages the many recreational, cultural, and historical resources of the Missouri state parks system. The division also administers programs to promote outdoor recreation statewide.

Missouri's state parks system consists of 83 state parks and historic sites, as well as the Roger Pryor Pioneer Backcountry. The system is divided into three field district offices, with each of the district headquarters reporting to the Central Office in Jefferson City. Administrative, maintenance, and service personnel manage the lands and improvements, provide recreational and educational programs for visitors, and provide necessary law enforcement. Funding provided by the one-tenth of one percent Parks and Soils Sales Tax has been used for projects such as campground remodeling; the addition of shower houses and restrooms; paving of roads within campgrounds; restoration of landscapes; and additional personnel for maintenance, education, and site interpretation. The Parks and Soils Sales Tax provides continued restoration and improvement of the state parks system and allows division staff to better serve the millions of people who visit parks and historic sites each year.

Central Office administration directs and coordinates the management of the state parks system. Responsibilities include personnel management, budget and policy development, and the evaluation of management procedures and performance. Central Office staff provide logistical support to the individual state parks, and operate the central sign shop, central warehouse, and aerial device unit. Staff also identify unique natural areas which may require protection; conduct special studies related to parks operations and development; and prepare site, architectural, and engineering plans and maps.

The division assists the State Inter-Agency Council for Outdoor Recreation in the administration of grants that finance outdoor recreation projects.

Fiscal Year 2009 Governor's Recommendations

- \$1,652,722 other funds to pay increased costs of current operations, including seasonal labor costs, to train and equip a historic repair crew, and to create a new state park on the Current River.
- \$1,000,000 to support local parks statewide.
- \$666,726 federal and other funds for pay plan.

HISTORIC PRESERVATION

The State Historic Preservation Office helps identify and preserve historic properties and cultural resources throughout the state, administers grants and loans to support preservation efforts, and provides technical assistance to taxpayers in qualifying for historic preservation tax credits.

Fiscal Year 2009 Governor's Recommendations

- \$1,130,000 transferred to the Historic Preservation Revolving Fund, pursuant to Section 143.183, RSMo.
- \$1,130,000 Historic Preservation Revolving Fund to help preserve historic, public properties.
- \$200,000 for planning and to begin implementation of the sesquicentennial commemoration of the Civil War.
- \$19,523 federal and other funds for pay plan.

AGENCY-WIDE IMPLEMENTATION

A number of issues are multi-faceted and require resources and expertise from several divisions within the Department of Natural Resources. To deal effectively with these issues, the department consolidated these operations agency wide.

Fiscal Year 2009 Governor's Recommendations

- \$34,169 federal and other funds for pay plan.
- \$650,000 Natural Resources Revolving Services Fund reallocated from Field Services.
- \$550,000 transferred from the Office of Administration for Clarence Cannon water payments.
- (2.54) staff core reduction from the Fiscal Year 2008 appropriation level.

DEPARTMENT OF NATURAL RESOURCES

ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

The Environmental Improvement and Energy Resources Authority, under Chapter 260, RSMo, is an independent, self-supporting, quasi-governmental agency assigned to the Missouri Department of Natural Resources.

Due to the special independent status as “a body corporate and politic,” the authority is able to issue tax-exempt bonds and utilize fees charged for issuance of its bonds and notes. The authority is empowered to conduct environmental and energy research and development activities; develop alternative methods of financing environmental and energy projects; and assist Missouri communities, organizations, and businesses in obtaining low-cost funds and other financial assistance for projects related to the authority purpose.

Fiscal Year 2009 Governor’s Recommendations

Continue funding at the current level.